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Nation's
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The Weekly Newspaper of the Food-Service Industry

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NRN's Annual Survey of Leading Chains and Companies

THE 1988 TOP 100

TOUGH TIMES IN FOOD SERVICE

- Systemwide sales growth slows
- Negative 'growth' for one in five chains
- Unit expansion tapers off
- Average unit sales flat at 15 chains
- Big revenue gains at top companies

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BUSH BEATS DUKAKIS, 3-1, IN NRN READER POLL — Second Front Page

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Aug. 8, 1988

NEWS DIGEST

Beach waste washes away NJ food-service profits

ASBURY PARK, N.J. — With local beaches closed since mid-July because of medical wastes and high bacteria levels, food-service and resort operators here say business has all but dried up.

Operators On Long Island and as far north as Cape Cod were plagued by similar pollution-related beach closings.

Jersey Shore food-stand operators say sales are off by as much as 80 percent. The drop in traffic has caused many restaurants to cut hours and employees and others to just plain shutter their businesses.

Although four area beaches recently reopened, medical waste continues to wash ashore, scaring off bathers.

Pepsico to bring concepts together into 3-in-1 unit

COLUMBUS, Ohio — Pepsico is grouping its Taco Bell, Pizza Hut, and Kentucky Fried Chicken concepts together under one roof to create a three-in-one fast-food hybrid on what was formerly the site of a Taco Bell unit.

A Taco Bell spokesman declined to reveal further details.

Pillsbury Co. has formed such complexes by combining three of its concepts—Burger King, Godfather's, and Häagen-Dazs—at a single location.

International Dairy Queen is developing three-in-one Treat Centers—single facilities featuring the products of IDQ's three food chains, Dairy Queen, Karmel Korn, and Orange Julius.

Carney leads acquisition of Western Sizzlin chain

AUGUSTA, Ga. — Frank Carney, who cofounded Pizza Hut in 158, is leading a group acquiring Western Sizzlin Inc., the franchisor of 600 budget steak houses, from its founding Pascarella family for $95 million.

Carney would become chairman of the company and Michael Stack, a 25-year restaurant veteran, would be president and chief executive.

Western Sizzlin was founded in 1962 by Nick and Nora Pascarella. Nora Pascarella would become chairwoman emeritus and son Edward would become director of franchise relations.

Cashew Chicken Salad rolled out at Arby's

ATLANTA — In what Arby's described as an extension of both its salad and chicken menu lines, the fast feeder has added a new Cashew Chicken Salad.

A new side salad has also been rolled out, Arby's said.

The Cashew Chicken Salad was tested in Minneapolis, Cleveland, and Phoenix, Ariz., last year. It consists of diced roasted chicken, shredded Mozzarella cheese, peppers, cashews, lettuce, carrots, and tomato wedges.

Arby's menu already features several poultry items, including a chicken Cordon Bleu sandwich.

C.A. Muer opens new one in Fort Lauderdale, Fla.

FORT LAUDERDALE, Fla. — The C.A. Muer Corp. has opened a new Charley's Crab dinner house here, the Detroit-based company's fourth Florida restaurant.

The new operation, opened at the site of a Harrison's restaurant, sports 300 feet of docking space in the intercoastal waterway and a menu featuring local swordfish and mahi mahi.

Muer already operates a Charley's Crab and a Chuck and Harold's in Palm Beach and a Charley's Crab in Jupiter.

The company has 12 other restaurants in Michigan; Ohio; Pennsylvania; and Washington, D.C.

Elias brings Elby's back to Big Boy fold

By Peter J. Romeo

WARREN, Mich. — Elias Bros., franchisor of the Big Boy coffee-shop chain, has brought a dissident franchise back into the Big Boy fold through the resigning of Elby's Restaurants as a licensee.

Elby's, which operates 75 coffee shops in West Virginia, Ohio, and Pennsylvania, pulled out of the Big Boy system in 1984, while Marriott Corp. was the Big Boy chain's franchisor.

Marriott sold the licensing rights to Elias late last year. Since then, JB's Restaurants, a licensee based in Salt Lake City, has opted to pull out of the Big Boy system. The chain's ranks are also being thinned by Marriott's conversion of its Bob's Big Boy units to a new family restaurant concept called Allie's.

Elby's explained at the time of its defection from Big Boy that it was seceding because recognition of the Big Boy name had waned in the operator's Midwestern territory.

JB's also faulted Big Boy's marketability in explaining its decision to withdraw.

"Rejoining the Big Boy system will give us access to more new-product development, marketing techniques and research, management expertise and operating economies," Elby's chief executive George Boury said in explaining the operator's recent change of heart.

Since switching from licensee to franchisor of the Big Boy system, Elias has attempted to unify the chain by requiring all operators to use the same identity.

Previously, some franchisees regionalized signage by putting their own names in front of the words "Big Boy." As a result, Big Boy units were known as Frisch's Big Boys, Marc's Big Boy in another region, and Elias' Big Boy in yet another.

Elias is also developing a core Big Boy bill of fare to replace the variety of menus currently in use throughout the system. Under Marriott, licensees exercised great autonomy in deciding which items to offer.

"We see Elby's decision to rejoin the chain as a significant demonstration that we are already making the right decisions and are leading the chain to a strong future," said Louis Elias, president of Elias Bros.

Renaud hires Doyle for Church's franchising

SAN ANTONIO, Texas — Church's Chicken president Ernest Renaud, in his first hire since assuming the job, has named Gordon R. Doyle as vice president of franchising, effective Aug. 15.

Doyle

Doyle will succeed George Samaras, who recently joined Popeyes Famous Fried Chicken as executive vice president of company and franchise development.

Renaud and Doyle worked together at the Golden Corral steak-house chain and Lexington, Ky.-based Jerrico, franchisor of the Long John Silver's fast-food fish chain. Before joining Church's, Renaud was president of the Raleigh, N.C.-based Investors Management Corp., which operates Golden Corral and franchised Church's units, among other concepts.

Before joining Church's, Doyle was vice president of development and construction and, most recently, vice president of administration at Golden Corral.

Prices rise 3.6 percent from June to July

WASHINGTON — Farm prices rose 3.6 percent in July, the U.S. Department of Agriculture reported.

Average prices received by farmers in July were 10 percent higher than those in July of last year, the U.S. Department of Agriculture indicated in a report that gained attention because of the drought in the nation's farm belt.

Nation's Restaurant News

FOCUS

TOUGH TIMES IN FOOD SERVICE

Top 100 chains stagger under blows from sagging sales and falling traffic

By Joe Edwards

Some of the leading chains and companies in food service are limping through 1988 bruised and battered by sagging sales and falling customer counts.

Fully 20 percent of the Top 100 chains are reeling from negative real growth in systemwide sales. Average unit sales are flat or off at 19 chains, compared with 1987 results.

Unit expansion has slowed to a crawl, with about half the top chains showing only nominal unit growth at best. More than a dozen chains are closing substantial numbers of restaurants.

Total systemwide sales for the Top 100 chains are rising only 8 percent over last year's figures, one of the most anemic increases in memory.

It has not been a very good year.

Systemwide sales in real terms—sales adjusted for inflation—are off 32.5 percent at Stuart Anderson's, 15.1 percent at Godfather's, 14.3 percent at Po Folks, 14.2 percent at 7-Eleven, 14.2 percent at Steak and Ale, 14.2 percent at El Torito, 6.8 percent at Church's Fried Chicken, and 5.3 percent at Denny's.

Other big losers in systemwide sales growth include Holiday Inns, Bojangles' Chicken 'n Biscuits, Big Boy, Hilton Hotels, Krystal, Wyatt, Showbiz/Chuck E. Cheese's, Red Lobster, Long John Silver's, Coco's, Carvel, Woolworth, and Service America.

Average unit sales are flat or worse at many of the Top 100 chains. Wyatt Cafeterias, Steak and Ale, Stuart Anderson's, Bennigan's, and Bojangles' had no increases in average unit sales this year compared with 1987. Unit sales are off 0.3 percent at Church's Fried Chicken, 1.5 percent at Luby's, 1.9 percent at Po Folks, 2.3 percent at White Castle, 3.0 percent at Daka, 3.3 percent at Ponderosa, 3.8 percent at Sportservice, 4.0 percent at Ryan's, 4.0 percent at Westin Hotels, 4.3 percent at Ogden Allied Aviation Services, 6.0 percent at Service America, 6.5 percent at Hyatt Hotels, and 6.7 percent at Circle K.

The poor performance of many Top 100 chains has led to a retrenchment philosophy in terms of expansion. More than a dozen chains—including 7-Eleven, El Torito, Steak and Ale, Chi-Chi's, Village Inn, and Big Boy—are either reducing the numbers of restaurants in their systems compared with 1987 figures or are holding steady.

Those shutting or divesting the most units this year are 7-Eleven (1,000), Church's (45), Stuart Anderson's (33), El Torito (23), Godfather's Pizza (20), and Po Folks (15). That helps explain the flatness or downturns in systemwide sales at some chains. But Denny's systemwide sales were off 5.3 percent in real terms even as the family restaurant giant opened 35 new restaurants.

The big food-service companies are in the same boat as the chains. More than 13 of the Top 100 companies are posting negative revenue growth this year compared with 1987. Food-service revenue is off 52.7 percent at Southland, 48.6 percent at Jamco, 9.4 percent at Winchell's Donut Houses L.P., 9 percent at Winners Corp., 7.0 percent at Harman Management, and 5.6 percent at Consul Corp.

On the plus side, food-service revenue is rising 110.8 percent at the Greyhound Corp, 60.4 percent at Foodmaker, 58.4 percent at Horn & Hardart, 46.9 percent at Sodexo, and 43.8 percent at Paragon Restaurant Group.

Eleven chains that were on the Top 100 list last year did not make the 1988 list: Sbarro, Cracker Barrel Old Country Stores, J.B.'s, Tastee Freez International, Winchell's Donut Houses, Mr. Gatti's, Brown Derby, York, Mr. Steak, Shakey's Pizza, and Restaura. The cutoff point for the Top 100 is $153 million in systemwide sales.

Total systemwide sales for the Top 100 chains this year are rising about 8 percent, to $82.4 billion, compared with $75.8 billion in 1987 and $67.4 billion in 1986.

Systemwide sales are up 38.8 percent at Subway, 37.9 percent at Little Caesars, 36.3 percent at Seiler Corp., 31.0 percent at Chili's, 29.7 percent at Ryan's Family Steak Houses, 24.9 percent at Fuddruckers, 21.7 percent at Bakers Square, 20.5 percent at Morrison Custom Management, 19.2 percent at Whataburger, and 19 percent at Jack in the Box.

But unit expansion accounts for much of the sales increases. Subway is

*(See **TOP 100**, page F100)*

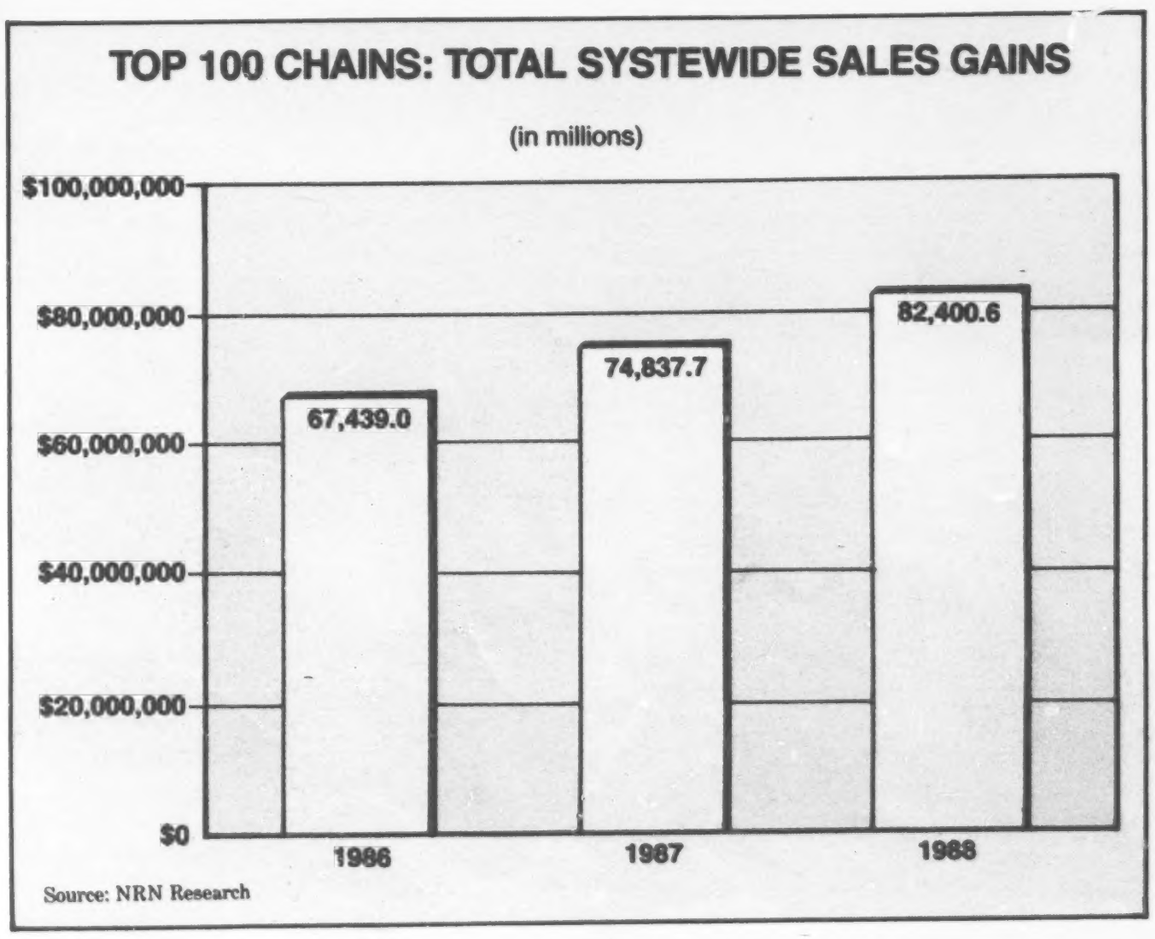
RESTAURANT CHAINS EXPERIENCING NEGATIVE REAL GROWTH IN SYSTEMWIDE SALES

Chain	Fiscal Year Ends	% chng. in systemwide sales, 1988 vs. 1987	% chnge. in real terms, 1988 vs. 1987[1]
Service America Corp.	July	4.01%	– 0.19%
Woolworth	Jan.	4.00	– 0.20
Carvel	Dec.	3.95	– 0.25
Coco's	Dec.	3.70	– 0.50
Long John Silver's	June	3.45	– 0.75
Red Lobster	May	2.46	– 1.74
ShowBiz/Chuck E. Cheese	Dec.	1.69	– 2.51
Wyatt Cafeterias	Dec.	1.40	– 2.80
Krystal Restaurants	Dec.	1.09	– 3.11
Hilton Hotels	Dec.	0.81	– 3.39
Big Boy	Dec.	0.29	– 3.91
Bojangles' Chicken 'n Biscuits	Dec.	0.00	– 4.20
Holiday Inns	Dec.	– 0.53	– 4.73
Denny's	June	– 1.19	– 5.39
Church's Chicken	Dec.	– 2.60	– 6.80
El Torito	Dec.	–10.00	–14.20
Steak and Ale	May	–10.00	–14.20
7-Eleven	Dec.	–10.04	–14.24
Po' Folks	Sept.	–10.11	–14.31
Godfather's	May	–10.91	–15.11
Stuart Anderson's	Dec.	–28.30	–32.50

[1]Presumes 4.2 percent inflationary rate, as projected by the National Restaurant Association for 1988

Source: NRN Research

TOP 100 CHAINS: TOTAL SYSTEWIDE SALES GAINS



Source: NRN Research

FOCUS | VIEWPOINT

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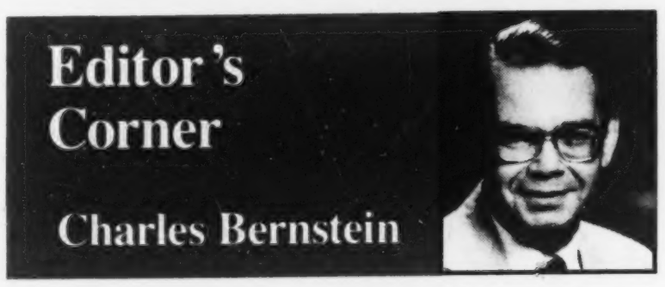
Restaurant no-shows: handle with care

Frustrated by customers who make reservations and don't show up, restaurateurs increasingly are opting not to accept any reservations at all. This seems to be the simplest solution to a problem that has plagued operators for years: the inconsiderateness of people who don't even think about informing a restaurant when their plans change.

In fact, frequent diners-out are dealing with restaurants in much the same way that frequent flyers deal with airlines. They make multiple reservations and then decide at the last minute which one they feel like using or which one is more practical, leaving the restaurants in the lurch.



Perhaps this type of gross discourtesy is inherent in the modern age, but there really is no excuse for it. All too often it means that a restaurant is left with tables that can no longer be filled, although the more popular places tend to have people always standing by if a cancellation does occur. Still, the table has to be held for at least 15 minutes or a half-hour until it can be utilized by someone else, so valuable time is being lost.

Of course, many restaurants never wanted to take any reservations because of the troubles involved. These restaurants can just as soon keep an almost endless line of people waiting for an hour or more, boosting the bar check and maintaining a steady flow of turns at tables.

Still, customers do get tired of waiting, and not taking reservations is a questionable solution to the dilemma. Many of the customers are faithful and should not be penalized for the lack of concern shown by some people. The real question facing operators should be how to handle reservations so they can somehow keep themselves and their customers happy—a tricky balancing act.

Some operators are in turn emulating the airlines by deliberately overbooking by an undisclosed percentage—anywhere from 10 percent to 30 percent. This is one answer, although far from ideal. It hinges on the restaurateurs' astuteness in projecting how many customers might cancel on a particular evening—a product of traffic patterns, an instinct about human nature, and pure guesswork.

Another answer is to require the customer to call back the day of the scheduled reservation to reconfirm. An operator who has not heard from the customer by perhaps six hours before reservation time could then call the customer. This requires having someone experienced enough to always take the customer's phone number when the reservation is made.

It is not unreasonable for an operator to cancel the reservation if he has received no confirming call and cannot contact the customer. Nor is it unreasonable to cancel it after waiting a half-hour.

What would you do about no-shows?

Consumers who break reservations have become a monumental problem. How long should tables be held? Should restaurants stop taking reservations? Should operators charge patrons a no-show penalty fee?

To voice your answer, call the toll-free Nation's Restaurant News Hot Line, 24 hours a day, all this week.

A recorded message will ask you for your statement, and your name, company and phone number for verification.

Watch for a full report in an upcoming edition.

NRN Hot Line
1 (800) 678-7711

This game is tough to win because more than a few screaming matches occur when the customer arrives on time only to find the reservation was canceled for lack of confirmation, or when the customer arrives late.

Unfortunately, the situation has reached the point where it well may be necessary to maintain a checklist of those loyal customers who have showed up on time and honored their reservations on a regular basis or at least have notified the restaurant when they could not keep the reservations.

Reservations imply a basic trust between the restaurant and the customer—a trust that too often is abrogated by one side or the other, whatever the circumstances.

It is common courtesy for customers to at least call when their plans change. The fact that this basic precept is not nearly as prevalent today as it once was becomes evident when someone does phone a restaurant to cancel a reservation. The person taking the call sounds astonished that anyone would even bother phoning and profusely thanks the caller.

There is no easy answer for the constant no-show problem, but refusing to accept reservations is not sensible. An operator must have a series of fine-tuned steps to help assure that the customer's intentions are known or can reasonably be ascertained.

It has even gotten to the point where a justifiably indignant Gordon Sinclair wants to have all reservations guaranteed with an American Express card. The Chicago restaurateur, stung too many times by people who did not honor reservations, would charge a fee to the American Express account of any no-show.

If the restaurateur goes too far in enforcing every conceivable regulation about reservations, he may find that he can rely on those who do make reservations but that there are just too many empty seats (representing customers disgruntled by oppressive rules). But if he is too lax in enforcing reservation policies, he will get burned too often.

The one sure thing is that no-shows have become a monumental problem and that solutions must be pursued.

LETTERS

Dining coupon programs can benefit an operation

Editor, NRN:

I'd like to take issue with your June 13, page 1 story, "Fine-dining coupons flop." It suggested that all dining-coupon programs are created equal and have equally dismal results.

That simply isn't the case. Our experience shows the exact opposite to be true: Properly executed dining promotions are very beneficial to restaurants. Indeed, one of your quoted sources happily participates in one of our programs and recently renewed for another year.

The difference? Positioning the programs as exclusive, offering them to distinctly upscale audiences, issuing discreet plastic membership cards, not cumbersome coupon books, and scrupulously tracking results.

I suggest that a story on how to judge a quality discount program would serve your industry far better than one that cites the negative experience of only four restaurateurs, as your reporter did, and uses them as the basis for discarding what can be a very sound promotional tool.

—Ginny Kelley
president
Rose Marketing Services Inc.
Minneapolis

Fabricant article offers list of commandments

Editor, NRN:

Florence Fabricant's article "Common Sense Makes a Comeback," in Food Trends in Fine Dining in the May 9 issue of NRN, was not only fun to read but also a summary of assorted commandments that restaurateurs should live by.

Congratulations!

—George Lang
president
The George Lang Corp.
New York

Bras in the dress code: a square, sexist notion

Editor, NRN:

I am writing in response to your May 2 Editor's Corner column. I have no argument with the point you made concerning sanitation standards. But your mention of "braless waitresses" as an example of unacceptable dress mode was unnecessary.

Many women do not wear bras as they find them uncomfortable or useless. Imagine having a dress code which required bras! Would you be willing to enforce something like this? How ever would you do it? The image that comes to my mind is appalling.

Some may call this square. Others may call it sexist.

The day may come when you choose to don a bra in the interests of dignity and sanitation. Be sure to let me know; perhaps I will join you.

Eileen Hoyt
San Francisco

FOCUS | TOP 100

TOP 100 CHAINS RANKED BY SYSTEMWIDE SALES

Rank 1988	Rank 1987	Chain	Chain Headquarters	Concept	Parent Company	Fiscal Year Ends	Systemwide Sales (by fiscal year, in millions) 1988	1987	1986
1	1	McDonald's	Oak Brook, Ill.	Hamburger	McDonald's Corp.	Dec.	$15,750.0	$14,330.0	$12,432.0
2	2	Burger King	Miami, Fla.	Hamburger	Pillsbury Co.	May	5,300.0	5,000.0	4,500.0
3	3	Kentucky Fried Chicken	Louisville, Ky.	Chicken	Pepsico Inc.	Dec.	4,300.0	4,100.0	3,500.0
4	4	Hardee's	Rocky Mount, N.C.	Hamburger	Imasco Ltd.	Dec.	3,300.0	3,063.6	2,676.4
5	5	Wendy's	Dublin, Ohio	Hamburger	Wendy's International	Jan.	3,000.0	2,868.0	2,747.2
6	6	Pizza Hut	Wichita, Kan.	Pizza	Pepsico Inc.	Dec.	3,000.0	2,600.0	2,260.0
7	7	Domino's Pizza	Ann Arbor, Mich.	Pizza	Domino's Pizza Inc.	Dec.	2,300.0	1,977.0	1,567.0
8	8	Dairy Queen	Minneapolis, Minn.	Ice Cream	International Dairy Queen	Nov.	2,038.0	1,878.0	1,723.0
9	9	Marriott Food & Services Management	Washington, D.C.	Contract	Marriott Corp.	Dec.	1,897.3	1,701.2	1,130.1
10	10	Taco Bell	Irvine, Calif.	Mexican	Pepsico Inc.	Dec.	1,735.0	1,543.0	1,338.0
11	12	Sheraton Hotels	Boston, Mass.	Hotel	ITT Corp.	Dec.	1,474.0	1,252.9	1,193.7
12	13	ARA Services	Philadelphia, Pa.	Contract	ARA Services Inc.	Sept.	1,251.7	1,145.0	1,013.7
13	11	Denny's	La Mirada, Calif.	Fam. Rest.	TW Services Inc.	June	1,250.0	1,265.0	1,205.0
14	15	Arby's	Atlanta, Ga.	Roast Beef	DWG Corp.	Dec.	1,050.0	988.0	886.0
15	14	Big Boy	Warren, Mich.	Fam. Rest.	Elias Bros. Restaurants	Dec.	1,030.0	1,027.0	974.7
16	17	Marriott In-Flite Services/Host	Washington, D.C.	Contract	Marriott Corp.	Dec.	1,024.8	950.6	821.7
17	16	Red Lobster	Orlando, Fla.	Dinner House	General Mills Inc.	May	1,000.1	976.0	875.0
18	24	Little Caesars Pizza	Farmington Hills, Mich.	Pizza	Little Caesars Enterprises	Dec.	1,000.0	725.0	520.0
19	18	Marriott Hotels	Washington, D.C.	Hotel	Marriott Corp.	Dec.	980.2	875.4	739.8
20	19	Canteen Corp.	Chicago, Ill.	Contract	TW Services Inc.	Dec.	925.8	832.7	762.4
21	20	Holiday Inns	Memphis, Tenn.	Hotel	Holiday Corp.	Dec.	826.5	830.9	840.5
22	21	Hilton Hotels	Beverly Hills, Calif.	Hotel	Hilton Hotels Corp.	Dec.	822.0	815.4	718.9
23	23	Dunkin' Donuts	Randolph, Mass.	Doughnut	Dunkin' Donuts Inc.	Oct.	808.0	728.8	648.0
24	28	Jack in the Box	San Diego, Calif.	Hamburger	Foodmaker Inc.	Sept.	780.0	655.0	588.0
25	25	Shoney's	Nashville, Tenn.	Fam. Rest.	Shoney's Inc.	Oct.	780.0	718.6	644.5
26	22	Long John Silver's	Lexington, Ky.	Fish	Jerrico Inc.	June	762.1	736.7	697.4
27	30	Sizzler	Los Angeles, Calif.	Steak House	Collins Foods International	April	751.5	632.5	505.0
28	26	Service America Corp.	Stamford, Conn.	Contract	Servam Corp.	July	718.6	690.9	677.4
29	29	Ponderosa Steakhouses	Dayton, Ohio	Steak House	Metromedia Inc.	Feb.	699.7	650.6	597.7
30	31	Baskin-Robbins	Glendale, Calif.	Ice Cream	Allied-Lyons Plc	Dec.	635.2	594.0	542.5
31	32	Friendly	Wilbraham, Mass.	Fam. Rest.	Hershey Corp.	Dec.	605.0	572.4	536.0
32	27	7-Eleven	Dallas, Texas	C. Store	Southland Corp.	Dec.	604.8	672.3	599.5
33	34	Bonanza	Dallas, Texas	Steak House	USACafes	Dec.	596.0	529.5	458.4
34	35	Roy Rogers	Rockville, Md.	Hamburger	Marriott Corp.	Dec.	575.0	525.0	490.0
35	33	Church's Chicken	San Antonio, Texas	Chicken	Church's Fried Chicken Inc.	Dec.	520.0	533.9	577.7
36	36	Westin Hotels	Seattle, Wash.	Hotel	Aoki Corp.	April	512.0	472.1	460.2
37	39	Bennigan's	Dallas, Texas	Dinner House	Pillsbury Co.	May	500.0	450.0	425.0
38	46	Subway Sandwiches & Salads	Milford, Conn.	Sandwiches	Doctors Associates Inc.	Dec.	500.0	360.0	140.0
39	37	Western Sizzlin'	Augusta, Ga.	Steak House	Western Sizzlin' Inc.	Oct.	487.5	466.2	442.6
40	38	Popeye's Famous Fried Chicken	Jefferson, La.	Chicken	A. Copeland Enterprises	Oct.	485.0	460.0	400.0
41	41	Golden Corral	Raleigh, N.C.	Steak House	Investors Management Corp.	Dec.	470.7	428.8	362.0
42	40	Chi-Chi's	Louisville, Ky.	Dinner House	Foodmaker Inc.	Sept.	468.0	440.0	415.0
43	43	Dobbs[1]	Memphis, Tenn.	Contract	Greyhound Corp.	Dec.	449.2	419.8	386.3
44	44	Hyatt Hotels	Chicago, Ill.	Hotel	Hyatt Hotels Corp.	Jan.	443.0	408.1	349.6
45	45	T.G.I. Friday's	Dallas, Texas	Dinner House	Carlson Cos.	Jan.	405.0	364.0	349.0
46	49	Carl's Jr.	Anaheim, Calif.	Hamburger	Carl Karcher Enterprises	Jan.	399.3	343.6	335.7
47	47	Rax	Columbus, Ohio	Roast Beef	Rax Restaurants Inc.	July	390.0	358.3	328.9
48	42	El Torito	Irvine, Calif.	Dinner House	Restaurant Enterprises Group	Dec.	378.0	420.0	390.0
49	48	Perkins	Memphis, Tenn.	Fam. Rest.	Perkins Family Restaurants	Dec.	370.0	343.7	315.0
50	50	Sky Chefs	Arlington, Texas	Contract	Onex Corp.	Dec.	352.7	333.4	416.4

Explanation of column headings

- **Rank:** The 1988 rank is based on systemwide sales for each chain's fiscal 1988. The 1987 rank is based on revised data for the prior fiscal year. Because of adjustments, the 1986 rankings are not the same as those on the Top 100 Chain ranking that appeared in Nation's Restaurant News' issue of August 3, 1987.

- **Chain:** The name of the restaurant, hotel, or contract-feeding entity as it appears on signage, logos, or other trademarked identifications.

- **Chain headquarters:** The location of each chain's central operating offices, which can be different from the locale of parent companies' main offices.

- **Concept:** Type of restaurant operated by the chain, as classified by menu items or the sort of market served. "Fam. Rest." stands for family restaurant, a segment often also characterized as the coffee-shop market.

- **Parent company:** Owner of a chain's trademarks, licensing rights, or copyrights. Often, the parent company is the franchisor.

- **Fiscal year ends:** The month in which a chain's fiscal 1988 concludes.

- **Systemwide sales:** Net domestic food-and-beverage sales of all units operating under a chain's name. Included is the intake of all company and franchised restaurants. Figures for hotels, airport concession operators, and in-store feeders are limited to food-service sales. Contract feeders' tallies exclude vending revenues.

  Systemwide sales are presented for three years: fiscal 1988, fiscal 1987, and fiscal 1986.

- **Source:** Figures were either provided by the chains, or determined by NRN research.

NOTE

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